



General Assembly

February Session, 2010

Raised Bill No. 455

LCO No. 2259

02259_____CE_

Referred to Committee on Commerce

Introduced by:
(CE)

***AN ACT CONCERNING THE CONNECTICUT SPORTS AND
MARKETING CORPORATION.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2010*) On or before January 1, 2011,
2 and annually thereafter, the Connecticut Sports and Marketing
3 Corporation, established in section 2 of this act, shall provide a report,
4 in accordance with section 11-4a of the general statutes, to the
5 Governor and to the joint standing committee of the General Assembly
6 having cognizance of matters relating to commerce. The report shall
7 summarize the corporation's annual budget and activities, including,
8 but not limited to, the economic impact that sports and sporting events
9 and activities have had on the state in the preceding year.

10 Sec. 2. (*Effective July 1, 2010*) (a) There is established a body politic
11 and corporate of perpetual duration to be known as the Connecticut
12 Sports and Marketing Corporation.

13 (b) The corporation is nonprofit and shall be operated exclusively
14 for charitable, scientific, literary or educational purposes within the
15 meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or

16 any subsequent corresponding internal revenue code of the United
17 States, as amended from time to time. The corporation shall not have
18 or issue shares of stock or make distributions.

19 (c) The board of directors of the corporation shall have the power to
20 adopt and amend bylaws on behalf of, and for the governance of the
21 affairs of, the corporation.

22 (d) The corporation shall operate under the management of its
23 board of directors, which shall be self-perpetuating. The initial board
24 of directors shall consist of not more than twenty-one members,
25 excluding ex-officio members. The first board of directors shall be
26 appointed by the members of the Sports Advisory Board, established
27 pursuant to section 10-425 of the general statutes and shall include: (1)
28 One member who shall be knowledgeable on raising funds from
29 private sources to promote and market sports and sporting events and
30 activities; (2) four members from The University of Connecticut or the
31 Connecticut State University System, as defined in section 10a-1 of the
32 general statutes, one each of whom shall represent the western,
33 southern, central and eastern parts of the state; (3) one member who
34 shall represent a state-wide business organization; (4) three members
35 who shall represent sports venues or arenas capable of hosting events
36 with ten thousand or more spectators or attendees; (5) four members
37 who shall represent professional sports, including, but not limited to,
38 golf, tennis, auto racing, baseball, boxing and hockey; (6) six members
39 who shall represent amateur sports associations or organizations; and
40 (7) two members who shall represent state amateur sports festivals.
41 Thereafter, members shall be elected as provided in the bylaws of the
42 corporation. The bylaws shall provide that the Commissioner of
43 Economic and Community Development, the Secretary of the Office of
44 Policy and Management and the Executive Director of the Commission
45 on Culture and Tourism, or their respective designees, shall be ex-
46 officio members of the board of directors who may not vote or be
47 counted in determining a quorum, as provided in the bylaws. As may
48 be further provided in the bylaws, the terms of elected members of the

49 board of directors may be staggered by dividing the members into up
50 to three groups so that approximately an equal number of such
51 members have terms that expire each year.

52 Sec. 3. (*Effective July 1, 2010*) (a) The general purpose of the
53 corporation is to promote, attract, retain and market amateur,
54 collegiate, semiprofessional and professional sports and sporting
55 events and activities, as such sports, events and activities contribute
56 significantly to the economic vitality and quality of life in Connecticut.

57 (b) The powers of the Connecticut Sports and Marketing
58 Corporation board shall include, but are not limited to:

59 (1) Developing incorporated bylaws necessary to conduct business
60 and to develop an organizational structure;

61 (2) Preparing and defining long-range and short-range goals and
62 performance objectives for the corporation;

63 (3) Establishing a structure of dues for membership organizations
64 and individuals;

65 (4) Establishing and assigning committees and committee
66 chairpersons to accomplish specific goals and objectives. Said
67 committees may be comprised of both board members and non-board
68 members with expertise in the work of the corporation;

69 (5) Providing general oversight of the corporation's sponsorship and
70 fundraising activities, including the establishment of general
71 fundraising policies and guidelines;

72 (6) Assisting in marketing of state sporting events and providing
73 support to other state groups competing for additional sporting events
74 and opportunities;

75 (7) Maintaining an inventory of all amateur, collegiate,
76 semiprofessional and professional sports and sporting events in

77 Connecticut and maintaining a web site of scheduled sporting
78 activities and events state-wide;

79 (8) Representing the state at industry-related events and
80 tradeshow;

81 (9) Establishing a nonprofit foundation and raising funds from
82 private sources to encourage the development, promotion and
83 marketing of sports events and activities in the state;

84 (10) Performing such other acts as may be necessary or appropriate
85 to carry out the objectives and mission of the corporation; and

86 (11) Acquiring or receiving property or money for its purposes by
87 the acceptance of loans, contributions, gifts, grants, donations,
88 bequests or devises whether from federal state, public or private
89 sources.

90 Sec. 4. (*Effective July 1, 2010*) In addition to the powers set forth in
91 section 3 of this act, the corporation may engage in any lawful act and
92 activity consistent with sections 2 and 3 of this act for which
93 corporations may be formed under the Revised Nonstock Corporation
94 Act, or any successor act, including, but not limited to: (1) All powers
95 conferred upon nonstock or nonprofit corporations or organizations by
96 the general statutes; (2) to sue and be sued, complain and defend in its
97 corporate name; (3) to purchase, receive, lease or otherwise acquire,
98 and own, hold, improve, use and otherwise deal with, real or personal
99 property, or any legal or equitable interest in property, wherever
100 located, including the power to take property of any description or any
101 interest therein by gift, devise or bequest; (4) to sell, convey, mortgage,
102 pledge, lease, exchange or otherwise dispose of all or any part of its
103 property; (5) to purchase, receive, subscribe for or otherwise acquire,
104 own, hold, vote, use, sell, mortgage, lend, pledge or otherwise dispose
105 of, and deal in and with shares or other interests in, or obligations of,
106 any other entity; (6) to make contracts and guarantees, incur liabilities,
107 borrow money, issue its notes, bonds and other obligations, and secure

108 any of its obligations by mortgage or pledge of any of its property,
109 franchises or income; (7) to invest and reinvest its funds; (8) to conduct
110 its activities, locate offices and exercise the powers granted by this act
111 within or without this state; (9) to appoint officers, employees and
112 agents of the corporation, define their duties and fix their
113 compensation; (10) to make donations not inconsistent with law for the
114 public welfare or for charitable, scientific or educational purposes and
115 for other purposes that further the corporate interest; (11) to make
116 payments or donations, or do any other act, not inconsistent with law,
117 that furthers the activities and affairs of the corporation; and (12) to do
118 all acts and things necessary or convenient to carry out the purposes of
119 sections 2 to 15, inclusive, of this act.

120 Sec. 5. (*Effective July 1, 2010*) Notwithstanding any other provision of
121 sections 2 to 15, inclusive, of this act, the corporation shall not carry on
122 any activities not permitted to be carried on by an organization exempt
123 from federal income tax under Section 501(a) of the Internal Revenue
124 Code of 1986, or any subsequent corresponding internal revenue code
125 of the United States, as amended from time to time as an organization
126 described in Section 501(c)(3) of said Internal Revenue Code, or by an
127 organization, contributions to which are deductible under Section
128 170(c)(2) of said Internal Revenue Code.

129 Sec. 6. (*Effective July 1, 2010*) Neither the net earnings of the
130 corporation nor any part thereof may be distributed to or inure to the
131 benefit of any private individual or a director or officer of the
132 corporation. However, nothing in sections 2 to 15, inclusive, of this act,
133 shall restrict the right of the corporation to reasonably compensate any
134 officer or director for services rendered to the corporation or to
135 reimburse any officer or director for expenses, disbursements or
136 liabilities properly made or incurred, on account of that officer's or
137 director's service to the corporation.

138 Sec. 7. (*Effective July 1, 2010*) No substantial part of the activities of
139 the corporation may consist of carrying on propaganda or attempting

140 to influence legislation. The corporation may not participate in or
141 intervene in, including the publication or distribution of statements,
142 any political campaign on behalf of or in opposition to any candidate
143 for public office.

144 Sec. 8. (NEW) (*Effective July 1, 2010*) It shall not constitute a conflict
145 of interest for a trustee, director, partner or officer of any person, firm
146 or corporation, or any individual having a financial interest in a
147 person, firm or corporation, to serve as a member of the board of
148 directors of the Connecticut Sports and Marketing Corporation,
149 provided such trustee, director, partner, officer or individual shall
150 abstain from deliberation, action or vote by the Connecticut Sports and
151 Marketing Corporation in specific respect to such person, firm or
152 corporation.

153 Sec. 9. (*Effective July 1, 2010*) Upon dissolution of the corporation, the
154 board of directors shall dispose of and distribute the assets remaining,
155 after payment of all liabilities, exclusively for the purposes of the
156 corporation, to one or more organizations organized exclusively for
157 charitable, educational, religious or scientific purposes which shall be
158 then exempt from federal taxation as an organization or organizations
159 described in Section 501(c)(3) of the Internal Revenue Code of 1986, or
160 any subsequent corresponding internal revenue code of the United
161 States, as amended from time to time, or any subsequent
162 corresponding internal revenue code of the United States, as amended
163 from time to time, in such proportions and amounts and in such
164 manner as the board of directors shall determine. No part of the
165 corporation's assets shall ever be distributed to its directors or officers,
166 or inure to the benefit of any private individual.

167 Sec. 10. (*Effective July 1, 2010*) The personal liability of a director of
168 the corporation to the corporation for monetary damages for breach of
169 duty as a director of the corporation shall be limited to the fullest
170 extent permitted by the general statutes or any other applicable laws
171 presently or hereafter in effect, without having to recite such limitation

172 in this section or any amendment thereof.

173 Sec. 11. (*Effective July 1, 2010*) The corporation shall provide to its
174 directors and officers the full amount of indemnification that the
175 corporation is permitted to provide to such directors and officers,
176 including, but not limited to, the advancement of expenses, pursuant
177 to the general statutes or any other applicable laws presently or
178 hereafter in effect.

179 Sec. 12. (*Effective July 1, 2010*) The corporation and the Executive
180 Branch, or any subdivision thereof, may enter into a written agreement
181 for use by the corporation of the facilities and resources of the
182 Executive Branch, including, but not limited to, office space, storage
183 space, office furniture and equipment, utilities, photocopying services,
184 computer systems and archives and other historical materials and
185 information, provided the Executive Branch shall have no liability for
186 the obligations, acts or omissions of the corporation, and the
187 corporation need reimburse the Executive Branch only for expenses
188 the Executive Branch incurs as a result of the operations of the
189 corporation that the Executive Branch would not have otherwise
190 incurred.

191 Sec. 13. (*Effective July 1, 2010*) As used in sections 2 to 15, inclusive,
192 of this act "Internal Revenue Code" means the Internal Revenue Code
193 of 1986, or any subsequent corresponding internal revenue code of the
194 United States, as from time to time amended. References in sections 2
195 to 15, inclusive, of this act to a section of the Internal Revenue Code
196 shall be construed to refer to both such section and to the regulations
197 promulgated thereunder, or any successor section, as it now exists or
198 may hereafter be amended.

199 Sec. 14. (*Effective July 1, 2010*) The corporation's registered office and
200 registered agent shall be as provided in the bylaws of the corporation.

201 Sec. 15. (*Effective July 1, 2010*) A copy of sections 1 to 15, inclusive, of
202 this act shall be filed with the Secretary of the State, in accordance with

203 the requirements of section 33-1201 of the general statutes, not later
204 than one hundred twenty days after the first meeting of the board of
205 directors.

| | | |
|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2010</i> | New section |
| Sec. 2 | <i>July 1, 2010</i> | New section |
| Sec. 3 | <i>July 1, 2010</i> | New section |
| Sec. 4 | <i>July 1, 2010</i> | New section |
| Sec. 5 | <i>July 1, 2010</i> | New section |
| Sec. 6 | <i>July 1, 2010</i> | New section |
| Sec. 7 | <i>July 1, 2010</i> | New section |
| Sec. 8 | <i>July 1, 2010</i> | New section |
| Sec. 9 | <i>July 1, 2010</i> | New section |
| Sec. 10 | <i>July 1, 2010</i> | New section |
| Sec. 11 | <i>July 1, 2010</i> | New section |
| Sec. 12 | <i>July 1, 2010</i> | New section |
| Sec. 13 | <i>July 1, 2010</i> | New section |
| Sec. 14 | <i>July 1, 2010</i> | New section |
| Sec. 15 | <i>July 1, 2010</i> | New section |

Statement of Purpose:

To establish a nonprofit corporation for the purpose of attracting, retaining, and promoting sporting events and activities in the state.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]